



SENATE REPUBLICAN

POLICY COMMITTEE

Conference Report Highlights

September 24, 2007

Highlights of the Conference Report to Accompany H.R. 1495, the Water Resources Development Act of 2007

The Conference Report, H. Rept. 110-280, was filed on July 31, 2007.

Noteworthy

- By unanimous consent, the Senate will proceed to consideration of the conference report to accompany the Water Resources Development Act of 2007 (WRDA) at 3:00 p.m. today. A vote on final passage will occur at 5:45 pm.
- On May 16, 2007, the Senate passed its version of WRDA by a vote of 91-4. (Record Vote Number 170).
- According to the CBO score for the conference report, outlays will total \$11.2 billion for the 2008-2012 period, and \$12 billion for the 10 years following 2012, for a total of \$23.2 billion. The CBO score for the House-passed WRDA bill was \$8.1 billion over fiscal years 2008-2012 and \$6.8 billion over the 10 years following 2012, for a total of \$14.9 billion. The Senate-passed bill had an estimated cost of about \$14 billion for the 2008-2022 period.
- The Administration has indicated that the President will veto the conference report. In a letter dated August 1, 2007, the Administration expressed concern over the cost of the conference report, estimating that it would cost approximately \$20 billion. In addition, the letter asserted that the conference report inappropriately shifts project costs to taxpayers and authorizes expansion of Corps of Engineers' authority outside its traditional role.
- On August 1, 2007, the House passed the conference report by a vote of 381-40.
- Congress has not completed WRDA legislation since 2000.

Highlights

Congress authorizes specific Army Corps of Engineers projects in the Water Resources Development Act (WRDA), including studies, before appropriating funds to them.

Title I provides authority for the Secretary of the Army to carry out projects for water resources development, conservation, and other purposes. Title II contains general provisions concerning operations of the Army Corps of Engineers, including reporting requirements, planning requirements, peer review provisions, and administration provisions. Titles III and IV address specific project-related provisions and studies. Title V contains miscellaneous provisions. Titles VI, VII, and VIII specify program authorizations for completion of restoration projects in coastal Louisiana, the Florida Everglades, and the Upper Mississippi River and Illinois Waterway System, including lock construction. Title IX establishes a National Levee Safety Program.

Selected highlights pertaining to the conference report include the following:

Cost and Administration Views:

In a joint letter dated August 1, 2007, Assistant Secretary of the Army John Paul Woodley, Jr. and Office of Management and Budget Director Rob Portman notified interested parties that “the President will veto” H.R. 1495 as approved by the conferees. The letter noted the following objections:

- The cost of the conference report, according to the letter, is approximately \$20 billion, well above both the House-passed \$15 billion authorization level and the Senate-passed \$14 billion authorization level.
- The conference report includes provisions that will shift “billions of dollars” of costs for projects from non-federal beneficiaries of the projects to the taxpayer.
- The conference report includes authorizations for wastewater, drinking water, sewer infrastructure, waterfront development, surface transportation, and mine reclamation that are outside the Corps of Engineers’ traditional role and that will divert resources away from core project responsibilities.

Peer Review:

The conference report provides for a mandatory independent peer review of Corps of Engineers projects if: a project’s estimated cost exceeds \$45 million; the governor of an affected state requests a review; or the Chief of Engineers determines that a specific project is controversial based on certain factors. Under certain conditions, the Chief of Engineers may exclude a project from mandatory review.

The conference report provides for peer review at the discretion of the Chief of Engineers if a federal or state agency head determines that a proposed project is likely to

have a significant adverse impact on certain environmental or cultural resources after the implementation of the proposed mitigation plan. A project otherwise subject to mandatory peer review may be excluded from that requirement if it has no required environmental impact statement and is not controversial or has negligible impact. In addition, if a project replaces or rehabilitates existing components of certain ongoing projects, or if the project is routine or carried out under the Corps' continuing authorities programs, it may be excluded from review.

National Levee Safety Program:

The conference report provides for a National Levee Safety Program. A National Levee Safety Committee is authorized and directed to make recommendations for a national levee safety program. The conference report provides that the Secretary of the Army establish an inventory of all levees and inspect all federally-owned and operated levees.

Fiscal Transparency Report:

Section 2027 of the bill directs that beginning in 2008, the Chief of Engineers shall annually submit a report to Congress specifying expenditures by the Corps for the preceding fiscal year and an estimate of expenditures by the Corps for the current fiscal year. For projects and activities not scheduled for completion, the Secretary of the Army must also provide the estimated expenditures necessary to "maintain the same level of effort achieved" in the current fiscal year. The report must contain other estimated federal expenditures to maintain waterways, locks, dams, and additional information concerning studies underway and scheduled for completion. For projects that are authorized but for which construction has not been completed, the report must specify those projects for which no funds have been allocated for the five preceding years, the authorization date for each project, the last allocation date, the percentage of construction remaining, the estimated cost of completing the project, and an explanation of the reasons for the delay.

Project Deauthorizations:

Section 2046 amends section 1001(b)(2) of the Water Resources Development Act of 1986 to require transmittal of a list of projects that have not received construction funds for the preceding five fiscal years and to automatically deauthorize the projects on that list that do not receive construction funds by the end of the fiscal year following the fiscal year in which the list is transmitted.

Infrastructure Provisions:

Section 5158 of the conference report amends section 219 of the Water Resources Development Act of 1992 to include specific project authorizations projects for the design, installation, enhancement, or repair of water-related environmental infrastructure, including waste water treatment and related facilities and water supply, storage,

treatment, and distribution facilities. Subsequent language in that section lists project authorizations.

Louisiana, Florida, and Upper Mississippi Projects:

Titles VI, VII, and VIII of the conference report authorize programs for coastal Louisiana, the Florida Everglades, and the Upper Mississippi River and Illinois Waterway System. The conference report authorizes the Corps to carry out components of the Everglades Restoration Plan authorized in the Water Resources Development Act of 2000. For the Louisiana Coastal Area, the bill authorizes the Corps to carry out the comprehensive program in accordance with the Chief of Engineers' report completed in January 2005. The bill establishes a Task Force to make recommendations to the Corps of Engineers regarding the plan developed by the Secretary of the Army for the restoration of the coastal Louisiana Ecosystem. For the Upper Mississippi River and Illinois Waterway System, the bill provides authorization for new locks, navigational improvements, and an ecosystem restoration program.

Project List:

The conference report includes a chart listing requested projects contained in the bill. The chart includes the specific conference sections which correspond to the project, project description, and the requesting member. It can be found at http://www.rules.house.gov/110/text/110_hr1495cr.pdf, and in the *Congressional Record*.